



[3510-16-P]

DEPARTMENT OF COMMERCE

United States Patent and Trademark Office

37 CFR Part 1

[Docket No.: PTO-P-2014-0003]

RIN 0651-AC93

Changes to Permit Delayed Submission of Certain Requirements for Prioritized Examination

AGENCY: United States Patent and Trademark Office, Commerce.

ACTION: Interim rule.

SUMMARY: The Leahy-Smith America Invents Act includes provisions for prioritized examination of patent applications (also referred to as “Track I”), which have been implemented by the United States Patent and Trademark Office (Office) in previous rulemakings. This interim rule simplifies the Track I prioritized examination practice to reduce the number of requests for prioritized examination that must be dismissed. In order to enable rapid processing and examination of those applications, the previous

rulemakings provided that an application having a request for Track I prioritized examination requires, upon filing of the application, an inventor's oath or declaration and all required fees, and contains no more than four independent claims, thirty total claims, and no multiple dependent claims. Accordingly, any request for Track I prioritized examination not meeting all of the requirements on filing must be dismissed. The Office has found that many such dismissals are due to the application as filed not including a properly executed inventor's oath or declaration, not including the excess claims fees or application size fee due, or improperly including a multiple dependent claim or claims in excess of the permitted number. The Office has determined that the time periods for meeting those requirements when filing a request for Track I prioritized examination could be expanded while maintaining the Office's ability to timely examine the patent application.

DATES: EFFECTIVE DATE: [Insert date of publication in the FEDERAL REGISTER].

APPLICABILITY DATE: The changes to 37 CFR 1.102 apply only to applications filed under 35 U.S.C. 111(a) on or after September 16, 2012, in which a first action has not been mailed.

COMMENT DEADLINE DATE: Written comments must be received on or before [Insert date 60 days after publication in the FEDERAL REGISTER].

ADDRESSES: Comments should be sent by electronic mail message over the Internet addressed to: AC93.comments@uspto.gov. Comments also may be submitted by postal mail addressed to: Mail Stop Comments--Patents, Commissioner for Patents, P.O. Box 1450, Alexandria, VA, 22313-1450, marked to the attention of John R. Cottingham, Director, Office of Petitions, Office of the Deputy Commissioner for Patent Examination Policy.

Comments further may be sent by electronic mail message over the Internet via the Federal eRulemaking Portal. See the Federal eRulemaking Portal Web site (<http://www.regulations.gov>) for additional instructions on providing comments via the Federal eRulemaking Portal.

Although comments may be submitted by postal mail, the Office prefers to receive comments by electronic mail message over the Internet because sharing comments with the public is more easily accomplished. Electronic comments are preferred to be submitted in plain text, but also may be submitted in ADOBE® portable document format or MICROSOFT WORD® format. Comments not submitted electronically should be submitted on paper in a format that facilitates convenient digital scanning into ADOBE® portable document format.

The comments will be available for viewing via the Office's Internet Web site (<http://www.uspto.gov>). Because comments will be made available for public inspection, information that the submitter does not desire to make public, such as an address or phone number, should not be included in the comments.

FOR FURTHER INFORMATION CONTACT: John R. Cottingham, Director, Office of Petitions, at (571) 272-7079, or Michael T. Cygan, Senior Legal Advisor, Office of Patent Legal Administration, at (571) 272-7700.

SUPPLEMENTARY INFORMATION:

Executive Summary: Purpose: This interim rule simplifies prioritized examination ("Track I") practice to reduce the number of requests for prioritized examination that must be dismissed and to improve access to prioritized examination.

Summary of Major Provisions: The prioritized examination provisions (37 CFR 1.102(e)) currently require that: (1) the inventor's oath or declaration be present on filing, (2) all fees be paid upon filing, and (3) the application as filed contain no more than four independent claims, no more than thirty total claims, and no multiple dependent claims. This interim rule revises 37 CFR 1.102(e) to provide that: (1) the filing of an inventor's oath or declaration may be postponed in accordance with 37 CFR 1.53(f)(3) if an application data sheet meeting the conditions specified in 37 CFR 1.53(f)(3)(i) is

present upon filing; (2) if an application contains more than four independent claims, more than thirty total claims, or any multiple dependent claim, the applicant will be given a non-extendable one-month period to file an amendment to cancel any independent claims in excess of four, any total claims in excess of thirty, and any multiple dependent claim; and (3) any excess claims fees due under 37 CFR 1.16(h), (i), or (j) and any application size fee due under 37 CFR 1.16(s) is not required to be paid on filing.

Costs and Benefits: This rulemaking is not economically significant under Executive Order 12866 (Sept. 30, 1993).

Background: Section 11(h) of the Leahy-Smith America Invents Act provides for prioritized examination of an application. See Pub. L. 112-29, 125 Stat. 283, 324 (2011). Section 11(h) of the Leahy-Smith America Invents Act also provides that the Office may by regulation prescribe conditions for acceptance of a request for prioritized examination. See id.

The Office implemented the Leahy-Smith America Invents Act prioritized examination provision for applications upon filing, referred to as “Track I,” in a final rule published on September 23, 2011. See Changes to Implement the Prioritized Examination Track (Track I) of the Enhanced Examination Timing Control Procedures under the Leahy-Smith America Invents Act, 76 FR 59050 (September 23, 2011). The Office subsequently implemented prioritized examination for pending applications after the

filing of a proper request for continued examination under 35 U.S.C. 132(b) and 37 CFR

1.114. See Changes to Implement the Prioritized Examination for Requests for Continued Examination, 76 FR 78566 (December 19, 2011).

The rule implementing prioritized examination, 37 CFR 1.102(e), sets forth the requirements that must be met to permit a request for prioritized examination to be granted. These requirements were selected after public discussion with, and feedback from, patent practitioners and stakeholders. These requirements were selected in such a manner as to permit the Office to examine applications undergoing prioritized examination in a timely manner. In furtherance of timely examination, the Office required that requests for Track I prioritized examination conform to all of the requirements listed in 37 CFR 1.102(e)(1) as of the filing date of the application.

Upon review of the implementation of the Track I program, the Office has found that an unexpected number of requests for prioritized examination are being dismissed for failure to meet the requirements of 37 CFR 1.102(e) upon filing. In order to improve access to prioritized examination, the Office has reevaluated the necessity for each requirement to be met upon filing. The Office has determined that permitting certain requirements to be met after the filing date of the application would avoid dismissal of bona fide attempts to request Track I prioritized examination, while resulting in only minimal delay in the processing of the Track I request and the subsequent examination.

Under the procedure set forth in this interim rule, the requirements for prioritized examination are amended to permit an applicant to postpone submission of an inventor's oath and declaration after the filing date of the application, so long as the application as filed includes an executed application data sheet meeting the conditions specified in 37 CFR 1.53(f)(3)(i). Additionally, where a request for prioritized examination is received for an application having more than four independent claims, more than thirty total claims, or any multiple dependent claim, the Office will notify the applicant and provide a non-extendable period of one month in which applicant may cancel or amend the claims accordingly. If applicant provides the required claim amendment or cancellation within that period, the Track I request will be considered again. If the applicant fails to place the application in conformance with the above-listed claim requirements within that period, no further corrective period will be given, and the Track I request will be dismissed.

Under the procedure set forth in this interim rule, any excess claims fees due under 37 CFR 1.16(h), (i), or (j) and any application size fee due under 37 CFR 1.16(s) is not required to be paid on filing. An application in which excess claims fees or the application size fee are outstanding will be treated under the provisions of 37 CFR 1.53(f)(4), which require that those fees be paid prior to the expiration of the time period set for reply by the Office in any notice of fee deficiency.

Discussion of Specific Rules

The following is a discussion of the amendments to Title 37 of the Code of Federal Regulations, Part 1.

Section 1.102: Section 1.102(e)(1) is revised to eliminate the requirement that the inventor's oath or declaration be submitted on the filing date. An application having a properly executed application data sheet that meets the requirements set forth in § 1.53(f)(3)(i) will be eligible for prioritized examination (provided that the conditions of § 1.102(e) as revised in this interim rule are met). Pursuant to § 1.41(b), such an application data sheet sets the inventorship for the application, and applicant may delay submission of the inventor's oath or declaration no later than the date on which the issue fee for the patent is paid. See Changes To Implement the Inventor's Oath or Declaration Provisions of the Leahy-Smith America Invents Act, 77 FR 48776, 48779-80 (Aug. 14, 2012), and Changes to Implement the Patent Law Treaty, 78 FR 62367, 62376 (Oct. 21, 2013). Accordingly, § 1.102(e)(1) is revised to provide that the application must include a specification as prescribed by 35 U.S.C. § 112 including at least one claim, a drawing when necessary, and the inventor's oath or declaration on filing, except that the filing of an inventor's oath or declaration may be postponed in accordance with § 1.53(f)(3) if an application data sheet meeting the conditions specified in § 1.53(f)(3)(i) is present upon filing.

Section 1.102(e)(1) is also revised to eliminate the requirements that an application include any excess claims fees due under § 1.16(h), (i), or (j) or any application size fee due under § 1.16(s) on filing. An application in which excess claims fees or the application size fee are outstanding will be treated under the provisions of § 1.53(f)(4), which require that those fees be paid prior to the expiration of the time period set for reply by the Office in any notice of fee deficiency in order to avoid abandonment.

Section 1.102(e)(1) is further revised to eliminate the requirements that an application not contain more than four independent claims, not contain more than thirty total claims, and not contain any multiple dependent claim upon filing. Upon review of the Track I request, the Office will provide applicant a non-extendable one-month period in which to submit an amendment cancelling claims, or removing multiple dependencies. If, upon expiration of that one-month period, the application still contains more than four independent claims, more than thirty total claims, or a multiple dependent claim, the request for prioritized examination will be dismissed.

Section 1.102(e)(1) maintains the requirement that an application for which prioritized examination is requested must include payment of the basic filing fee, the search fee, and examination fees on filing, or the application will be ineligible for Track I. Specifically, § 1.102(e)(1) as revised requires that if the application is a utility application, it must be filed via the Office's electronic filing system and include the filing fee under § 1.16(a),

search fee under § 1.16(k), and examination fee under § 1.16(o) upon filing, and that if the application is a plant application, it must include the filing fee under § 1.16(c), search fee under § 1.16(m), and examination fee under § 1.16(q) upon filing.

Section 1.102(e) also maintains the requirement that an application for which prioritized examination is sought must be accompanied by the prioritized examination fee set forth in § 1.17(c), the processing fee set forth in § 1.17(i)(1), and the publication fee set forth in § 1.18(d). The request and each of these fees must be present on the same day the application is filed, or the application will be ineligible for Track I.

This interim rule, while providing additional time for the filing of an inventor's oath or declaration, for payment of any excess claims fees or any application size fee, and for filing an amendment to limit an application to four independent claims and thirty total claims without any multiple dependent claim, does not remove the requirement that those items be filed within the appropriate time period. Applicants are reminded that any request for an extension of time will cause an outstanding Track I request to be dismissed, or cause an application to lose its Track I status if previously conferred upon that application. See Changes to Implement the Prioritized Examination Track (Track I) of the Enhanced Examination Timing Control Procedures under the Leahy-Smith America Invents Act, 76 FR 59050 (September 23, 2011).

To reduce delays in processing the application, the Office recommends that all of the requirements under § 1.102(e)(1) be met upon filing. An applicant should not delay meeting a requirement merely because an additional time period will be supplied.

Applicants should recognize that the twelve-month goal for final disposition of the application is measured from the time the Track I request is granted, not from the filing of the application. As an applicant is seeking Track I prioritized examination to receive rapid examination, any delay in meeting the requirements for Track I merely adds processing time onto the twelve-month goal for final disposition of the application.

The changes in this interim rule apply to any application filed under 35 U.S.C. 111(a) on or after September 16, 2012, in which a first action has not been mailed. An applicant may have previously submitted a Track I request which was dismissed, but would have been granted, or the applicant would have been provided additional time to meet a requirement, if the changes to the interim rule had been in effect at the time of the dismissal. An applicant may file a request for reconsideration of the dismissal of the previous Track I request based upon the changes set forth in this interim rule if: (1) the application is still pending; (2) the application contains, or has been amended to contain, no more than four independent claims, no more than thirty total claims, and no multiple dependent claims; and (3) a first Office action has not been mailed in the application. Any such petition should be directed to the Office of Petitions.

Rulemaking Considerations:

A. Administrative Procedure Act: This interim rule revises the procedures that apply to applications for which an applicant has requested Track I prioritized examination. The changes in this interim rule do not change the substantive criteria of patentability.

Therefore, the changes in this rulemaking involve rules of agency practice and procedure, and/or interpretive rules. See JEM Broad. Co. v. FCC, 22 F.3d 320, 326 (D.C. Cir. 1994) (“[T]he critical feature of the procedural exception [in 5 U.S.C. 553(b)(A)] is that it covers agency actions that do not themselves alter the rights or interests of parties, although [they] may alter the manner in which the parties present themselves or their viewpoints to the agency”) (quoting Batterton v. Marshall, 648 F.2d 694, 707 (D.C. Cir. 1980)); see also Bachow Commc’ns Inc. v. F.C.C., 237 F.3d 683, 690 (D.C. Cir. 2001) (rules governing an application process are procedural under the Administrative Procedure Act); Inova Alexandria Hosp. v. Shalala, 244 F.3d 342, 350 (4th Cir. 2001) (rules for handling appeals were procedural where they did not change the substantive standard for reviewing claims).

Accordingly, prior notice and opportunity for public comment are not required pursuant to 5 U.S.C. 553(b) or (c) (or any other law). See Cooper Techs. Co. v. Dudas, 536 F.3d 1330, 1336-37 (Fed. Cir. 2008) (stating that 5 U.S.C. 553, and thus 35 U.S.C. 2(b)(2)(B), does not require notice and comment rulemaking for “interpretative rules, general statements of policy, or rules of agency organization, procedure, or practice”) (quoting

5 U.S.C. 553(b)(A)). In addition, pursuant to authority at 5 U.S.C. 553(d)(1), the changes in this interim rule may be made immediately effective because they relieve restrictions in the requirements for requesting prioritized examination of an application.

Moreover, the Office, pursuant to authority at 5 U.S.C. 553(b)(3)(B), finds good cause to adopt the changes in this interim rule without prior notice and an opportunity for public comment, as such procedures are contrary to the public interest. Delay in the promulgation of this interim rule to provide prior notice and comment procedures would cause harm to those applicants who file a request for Track I prioritized examination in an application that does not contain the inventor's oath or declaration and to those applicants who filed a request for prioritized examination in an application containing more than four independent claims, more than thirty total claims, or a multiple dependent claim. Immediate implementation of the changes in this interim rule is in the public interest because: (1) the public does not need time to conform its conduct as the changes in this interim rule do not add any additional requirement for requesting prioritized examination of an application; and (2) those applicants who are currently ineligible for prioritized examination due to the previously stated reasons will benefit from the changes in this interim rule. See Nat'l. Customs Brokers & Forwarders Ass'n v. U.S., 59 F.3d 1219, 1223–24 (Fed. Cir. 1995).

B. Regulatory Flexibility Act: As prior notice and an opportunity for public comment are not required pursuant to 5 U.S.C. 553, or any other law, neither a regulatory

flexibility analysis nor a certification under the Regulatory Flexibility Act (5 U.S.C. 601 et seq.) is required. See 5 U.S.C. 603.

C. Executive Order 12866 (Regulatory Planning and Review): This rulemaking has been determined to be not significant for purposes of Executive Order 12866 (Sept. 30, 1993).

D. Executive Order 13563 (Improving Regulation and Regulatory Review): The Office has complied with Executive Order 13563. Specifically, the Office has, to the extent feasible and applicable: (1) made a reasoned determination that the benefits justify the costs of the rule; (2) tailored the rule to impose the least burden on society consistent with obtaining the regulatory objectives; (3) selected a regulatory approach that maximizes net benefits; (4) specified performance objectives; (5) identified and assessed available alternatives; (6) involved the public in an open exchange of information and perspectives among experts in relevant disciplines, affected stakeholders in the private sector and the public as a whole, and provided on-line access to the rulemaking docket; (7) attempted to promote coordination, simplification, and harmonization across government agencies and identified goals designed to promote innovation; (8) considered approaches that reduce burdens and maintain flexibility and freedom of choice for the public; and (9) ensured the objectivity of scientific and technological information and processes.

E. Executive Order 13132 (Federalism): This rulemaking does not contain policies with federalism implications sufficient to warrant preparation of a Federalism Assessment under Executive Order 13132 (Aug. 4, 1999).

F. Executive Order 13175 (Tribal Consultation): This rulemaking will not: (1) have substantial direct effects on one or more Indian tribes; (2) impose substantial direct compliance costs on Indian tribal governments; or (3) preempt tribal law. Therefore, a tribal summary impact statement is not required under Executive Order 13175 (Nov. 6, 2000).

G. Executive Order 13211 (Energy Effects): This rulemaking is not a significant energy action under Executive Order 13211 because this rulemaking is not likely to have a significant adverse effect on the supply, distribution, or use of energy. Therefore, a Statement of Energy Effects is not required under Executive Order 13211 (May 18, 2001).

H. Executive Order 12988 (Civil Justice Reform): This rulemaking meets applicable standards to minimize litigation, eliminate ambiguity, and reduce burden as set forth in sections 3(a) and 3(b)(2) of Executive Order 12988 (Feb. 5, 1996).

I. Executive Order 13045 (Protection of Children): This rulemaking does not concern an environmental risk to health or safety that may disproportionately affect children under Executive Order 13045 (Apr. 21, 1997).

J. Executive Order 12630 (Taking of Private Property): This rulemaking will not affect a taking of private property or otherwise have taking implications under Executive Order 12630 (Mar. 15, 1988).

K. Congressional Review Act: Under the Congressional Review Act provisions of the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 801 et seq.), prior to issuing any final rule, the United States Patent and Trademark Office will submit a report containing the rule and other required information to the United States Senate, the United States House of Representatives, and the Comptroller General of the Government Accountability Office. The changes in this interim rule are not expected to result in an annual effect on the economy of 100 million dollars or more, a major increase in costs or prices, or significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and export markets. Therefore, this interim rule is not a “major rule” as defined in 5 U.S.C. 804(2).

L. Unfunded Mandates Reform Act of 1995: The changes set forth in this notice do not involve a Federal intergovernmental mandate that will result in the expenditure by

State, local, and tribal governments, in the aggregate, of 100 million dollars (as adjusted) or more in any one year, or a Federal private sector mandate that will result in the expenditure by the private sector of 100 million dollars (as adjusted) or more in any one year, and will not significantly or uniquely affect small governments. Therefore, no actions are necessary under the provisions of the Unfunded Mandates Reform Act of 1995. See 2 U.S.C. 1501 et seq.

M. National Environmental Policy Act: This rulemaking will not have any effect on the quality of the environment and is thus categorically excluded from review under the National Environmental Policy Act of 1969. See 42 U.S.C. 4321 et seq.

N. National Technology Transfer and Advancement Act: The requirements of section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note) are not applicable because this rulemaking does not contain provisions which involve the use of technical standards.

O. Paperwork Reduction Act: The Paperwork Reduction Act of 1995 (44 U.S.C. 3501 et seq.) requires that the Office consider the impact of paperwork and other information collection burdens imposed on the public. This interim rule involves information collection requirements which are subject to review by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3549). An applicant who wishes to participate in the prioritized examination program must submit a

certification and request to participate in the prioritized examination program, preferably by using Form PTO/AIA/424. OMB has determined that, under 5 CFR 1320.3(h), Form PTO/AIA/424 does not collect “information” within the meaning of the Paperwork Reduction Act of 1995. This rule making does not impose any additional collection requirements under the Paperwork Reduction Act which are subject to further review by OMB.

Notwithstanding any other provision of law, no person is required to respond to, nor shall a person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB control number.

List of Subjects in 37 CFR Part 1

Administrative practice and procedure, Courts, Freedom of information, Inventions and patents, Reporting and recordkeeping requirements, Small businesses.

For the reasons set forth in the preamble, 37 CFR part 1 is amended as follows:

PART 1 - RULES OF PRACTICE IN PATENT CASES

1. The authority citation for 37 CFR Part 1 continues to read as follows:

Authority: 35 U.S.C. 2(b)(2).

2. Section 1.102 is amended by revising paragraph (e)(1) to read as follows:

§1.102 Advancement of examination.

* * * * *

(e) * * *

(1) A request for prioritized examination may be filed with an original utility or plant nonprovisional application under 35 U.S.C. 111(a). The application must include a specification as prescribed by 35 U.S.C. 112 including at least one claim, a drawing when necessary, and the inventor's oath or declaration on filing, except that the filing of an inventor's oath or declaration may be postponed in accordance with § 1.53(f)(3) if an application data sheet meeting the conditions specified in § 1.53(f)(3)(i) is present upon filing. If the application is a utility application, it must be filed via the Office's electronic filing system and include the filing fee under § 1.16(a), search fee under § 1.16(k), and examination fee under § 1.16(o) upon filing. If the application is a plant application, it must include the filing fee under § 1.16(c), search fee under § 1.16(m), and examination fee under § 1.16(q) upon filing. The request for prioritized examination in compliance with this paragraph must be present upon filing of the application, except that the applicant may file an amendment to cancel any independent claims in excess of four, any total claims in excess of thirty, and any multiple dependent claim not later than one month from a first decision on the request for prioritized examination. This one-month

time period is not extendable.

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Date: February 27, 2014

Michelle K. Lee
Deputy Under Secretary of Commerce for Intellectual Property and
Deputy Director of the United States Patent and Trademark Office

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